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December 1, 1992





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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Donna R. Searcy Secretary Federal Communications Commission 1919 M Street, N.W., Room 222 Washington, D.C. 20554

Dear Ms. Searcy:

Re: MM Docket No. 92-260, Gable Home Wiring

On behalf of Pacific Bell and Nevada Bell please find enclosed an original and six copies of its "Comments" in the above proceeding.

Please stamp and return the provided copy to confirm your receipt. Please contact me should you have any questions or require additional information concerning this matter.

Sincerely,

Enclosures

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Before the FEDERAL COMMUNICATIONS COMMISSION FEDERAL COMMUNICATIONS COMMISSION Washington, D.C. 20054 OFFICE OF THE SECRETARY

In the Matter of

Implementation of the
Cable Television Consumer
Protection and Competition
Act of 1992

Cable Home Wiring

MM Docket No. 92-260

## COMMENTS OF PACIFIC BELL AND NEVADA BELL

In accordance with the Commission's Notice of Proposed Rulemaking ("NPRM") released November 6, 1992, Pacific Bell and Nevada Bell ("the Pacific Companies") file these comments regarding the regulation of cable home wiring.

The distinction between inside wiring for telephones and cable wiring is becoming blurred. It may soon be that video and telephone signals are passed over the same physical line. Therefore, similar rules should be imposed for coaxial cable as are in effect for telephone inside wire. This includes allowing customers to control the wiring on their premises, and allowing competitors to use existing wiring for their own services.

The Commission's recent video dialtone decision has encouraged increased interest in telephone company provided video transport. Telephone Company-Cable Television Cross-Ownership Rules, Sections 63.54-63.58, CC Docket No. 87-266, Second Report and Order, Recommendation to Congress and Second Further Notice of Proposed Rulemaking, 7 FCC Rcd 5781 (1992).

The Pacific Companies suggest that cable wiring be treated in parity with telephone inside wiring. In CC Docket 79-105 the Commission detariffed simple inside wiring in order to spur competition<sup>2</sup>. The Commission hoped to increase competition in wiring services, promote entry into the wiring market by alternate providers, reduce costs paid by consumers for these services, and ensure that customers bear the wiring costs they cause.<sup>3</sup> These benefits also will apply to cable wiring.

The Commission deregulated inside wiring so that customers could have access to all inside wiring within their homes. 4 Customers could then install, maintain, add additional jacks, or perform any other activity related to the inside wiring on their premises. Similarly, subscribers of cable wiring should have control over the wiring in their homes and be permitted to access their cable wiring for any lawful purpose. Requiring such a rule will also serve to place costs in the hands of cost-causers. So, if subscribers want to install their own cable, they should not have to subsidize other subscribers who choose to have the cable company install their cable.

In the Matter of Detariffing the Installation and Maintenance of Inside Wiring, 59 RR2d (P&F) 1143 (1986).

<sup>3</sup> See, e.g. <u>In the Matter of Detariffing the Installation</u> and <u>Maintenance of Inside Wire</u>, 7 FCC Rcd 1534 (1992).

<sup>4</sup> See also Review of Sections 68.104 and 68.213 of the Commission's Rules Concerning Connection of Simple Inside Wire to the Telephone Network, 5 FCC Rcd 4686 (1990).

Similarly, subscribers who choose not to install cable themselves can either choose the cable company or some other wiring company to perform the work.

In the NPRM, the Commission seeks comment on what rules should be imposed concerning the deposition of cable wiring after a subscriber terminates service. In order to stimulate competition and new entrants into the cable field, the Pacific Companies suggest that a cable operator should be prevented from removing wiring on a subscriber's premises after that subscriber terminates service. If that subscriber chooses to change cable operators, then the new operator should be able to use the existing wiring. This is similar to what has occurred with telephone inside wiring, especially in the business arena.

For example, if Pacific Bell installs wiring into a building, Pacific does not remove the wiring if the customer terminates service. That customer can then order service from a competing service provider, and that provider is free to use the existing wiring within the building to provide service.

By allowing competing providers to utilize existing wiring, new entry into the cable field should be stimulated. No efficiency in the market will be gained from requiring each cable operator to install, and then remove, wiring inside a house each time a subscriber changes service or moves. Rather, cable operators should be able to take advantage of existing

<sup>&</sup>lt;sup>5</sup> NPRM, para. 2.

wiring within homes, which should lower the barriers to entry into the cable field, and allow more vigorous competition in the form of lower prices.

In conclusion, the Pacific Companies suggest that there should be parity between cable wiring and telephone inside wiring. Subscribers should be allowed to access cable wiring for any lawful purpose, as they are allowed with telephone inside wiring. Allowing customer control over cable wiring will spur competition, not only with respect to cable wiring services, but also to cable operations in general.

Respectfully submitted,

PACIFIC BELL NEVADA BELL

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Date: December 1, 1992